

**CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE UNIFORMED SERVICES/ TRICARE AND MEDICARE**

CHAMPUS/TRICARE and Medicare. CHAMPUS/TRICARE and the Social Security Administration's Medicare Part A Hospital Insurance are government-sponsored health benefits programs identified by federal law. An individual may not receive both benefits unless they are disabled or have end stage renal disease, are under age 65, and enrolled in Part A and Part B of Medicare, or they are an active duty dependent over age 65. In each of these exceptional cases, CHAMPUS/TRICARE is the secondary payer and Medicare becomes the primary payer. After Medicare pays, CHAMPUS/TRICARE could cover any allowable portion that is not covered by Medicare; however, it does not mean the same benefits may be paid by both programs. Finally, it is strongly recommended that you visit your local Social Security Administration office to obtain up-to-date information on the total range of your Medicare benefits.

When Does CHAMPUS/TRICARE Eligibility End? CHAMPUS/TRICARE terminates when an individual reaches their 65th birthday (NOTE: Loss of entitlement occurs the first day of the month within which an individual turns 65, unless they are born on the first day of the month. In this case, their entitlement ends on the first day of the month just preceding their 65th birthday.) CHAMPUS/TRICARE eligibility may be extended if an individual is not entitled to Part A Medicare. In this case the Social Security Administration will issue a Letter of Disallowance which must be presented to the ID card issuing activity to enable the updating of the DEERS database and issuance of a new ID card showing the extended eligibility/entitlement.

Medicare. There are two parts to Medicare: Part A Hospital Insurance and Part B Medical Insurance. (1) Part A Hospital Insurance helps pay for inpatient hospital care, some inpatient care in a skilled nursing facility, home health care and hospice care. If you only have Medicare Part A and no other insurance, it will not equal coverage under CHAMPUS/TRICARE. (2) Part B, Medical Insurance helps pay for medically necessary doctors' services (except prescriptions) provided on an outpatient basis that are not covered by the hospital insurance (Part A). Unlike Part A, there is a premium associated with Part B but as a general rule, when Part A entitlement begins, you should not decline Part B. In the case of those disabled (including End State Renal Disease) who become entitled to Part A prior to reaching age 65, if you decline Part B, you will terminate your continued entitlement to CHAMPUS/TRICARE.

Penalties for Declining Part B. If you elect to decline Part B Medical Insurance at the time you become eligible for Part A Hospital Insurance, you will be required to pay a penalty/surcharge when you do elect to enroll in Part B. The penalty payment that you will be assessed as a monthly premium will cost an additional 10% of the monthly Part B premium for each 12 month period you remained entitled to Part A but not enrolled in Part B. If you initially decline Part B, you will only be able to apply for Part B coverage during the general/open enrollment period 1 January through 31 March of each year.

Qualifying For Part A Under a Spouse or Parent. An individual who is not entitled to Medicare, Part A because they did not meet the Social Security Administration qualification standards, (40 credits/quarters), may qualify because a spouse, former spouse, or living parent has already qualified for and started to use his/her Part A benefits. A person who did not qualify for Medicare Part A benefits and has subsequently been granted extended CHAMPUS/TRICARE entitlement/coverage will be notified in writing at such time that their spouse, former spouse, living parent begins to be covered by Part A. The letter will inform them that they should now qualify for Medicare Part A and that they should immediately report to their closest Social Security Administration office. As soon as they obtained Medicare Part A coverage they will need to obtain a new uniformed services ID card which will indicate that they are no longer eligible for continued CHAMPUS/TRICARE coverage.

Disabled Retired Members Under Age 65 and Eligible Dependents. Title 10, United States Code, was amended to allow all beneficiaries under age 65, who would otherwise have lost eligibility for CHAMPUS/TRICARE due to eligibility for Medicare as a result of disability or end stage renal disease to retain CHAMPUS/TRICARE as a secondary payer, if they are enrolled in both Medicare Part A and B. Medicare Part B must be purchased when they become eligible for Part A. If not, CHAMPUS/TRICARE can only be restored if Medicare Part B is purchased.